

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1863 - SB 2578

February 25, 2022

SUMMARY OF BILL: Changes, from 1:3,000 students to 1:750 students, the ratio for funding full-time public school nurse positions from the Basic Education Program (BEP). Requires the BEP formula to fund at least one full-time school counselor position for each 250 students or one full-time position for each local education agency (LEA), whichever is greater.

FISCAL IMPACT:

Increase State Expenditures - \$113,520,600/FY22-23 and Subsequent Years

Assumptions:

- Based on information provided by the Department of Education (DOE), changing the funding ratio for nurses from 1:3,000 to 1:750 students increases the number of nursing positions generated through the BEP from 358.2 to 1,306.2, for a net increase of approximately 948 nursing positions.
- Counselors in grades kindergarten through six are funded at a ratio of 1:500 students and counselors in grades seven through twelve are funded at a ratio of 1:350 students.
- Changing the funding ratio for school counselors to 1:250 students increases the number of counselor positions generated through the BEP from 2,295.2 to 3,907.2, for a net increase of approximately 1,612 positions.
- The total number of new positions will be 2,560 (948 + 1,612).
- The state share of the BEP will fund school nurses and counselors, on average, at approximately \$44,344 per position.
- Re-calculating the FY21-22 BEP, using a nurse to student ratio of 1:750 and a counselor to student ratio of 1:250 will result in an increase in state expenditures of \$113,520,640 (2,560 new positions x \$44,344) in FY22-23 and subsequent years.
- The increase in BEP funding will increase the minimum required local match by \$48,028,000 for districts receiving an increase in BEP funding as a result of this bill.
- Based on FY21-22 local maintenance of effort levels, no local school districts will need to increase their BEP local match contributions as a result of the proposed legislation, as all districts are currently contributing local funds in excess of the minimum required local match and the increased local match requirements mandated by this legislation do not exceed such current local contributions for any of the districts.
- However, future legislation which alters the BEP funding formula may result in local governments utilizing current excess local contributions to fund the minimum local

match requirement and a combination of multiple such legislation may result in mandatory increases in local match requirements for certain school districts.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid.

Krista Lee Carsner, Executive Director

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